

MEMORANDUM FOR SERVICE ACQUISITION EXECUTIVES
DIRECTOR, DEFENSE LOGISTICS AGENCY

SUBJECT: Technical Representatives at Contractor Facilities

The Process Action Teams chartered to examine Contract Administration Reform and Systems Acquisition Review and Oversight Processes reported an overlap between the duties performed by program office technical representatives at contractor facilities and personnel assigned to the Defense Contract Management Command local offices. The causes for the reported overlap were attributed to the perceived lack of a sufficiently trained and experienced cadre of technical experts within the Defense Contract Management Command offices who can serve as the program manager's eyes and ears, and to the reluctance of program managers to rely on people over whom they have no control, who may not be accountable, and who may have other priorities. If such overlap exists, it represents unnecessary duplicative activities, excessive oversight of contractors, and increased personnel and contract costs.

My memo of April 28, 1995, entitled "Reengineering the Acquisition Oversight and Review Process" outlines my policy on contractor performance assessments performed by technical representatives. Whenever possible, program managers should make maximum use of Defense Contract Management Command personnel at contractor facilities. Program managers and DCMC Contract Administration Offices should jointly develop and approve program support plans for all major weapon systems contracts to ensure agreement on contract oversight needs and perspectives. DCMC has unique capabilities and can provide program support to their customers by making contributions in:

Conducting assessments to support economic security decisions relating to the industrial base.

Providing cross-program assurance and insight into contractor capabilities and performance in support of Acquisition Reform goals, such as recognizing and accepting single processes within a contractor's facility, increasing the use of past performance in source selections, and facilitating contractor self-governance.

Coordinating and integrating in-plant technical and business management support to program managers as the contract administration IPT member.

Assignment of technical representatives in contractors' facilities will occur only as necessary, and will be based on the mutual agreement of the respective program manager and the Commander, Defense Contract Management Command. In these cases, technical representatives will not perform contract administration duties as outlined in FAR 42.302 (a).

To ensure that the overlap and duplication in contractor oversight is minimized, you are directed to conduct a review of the functions being performed by program management office technical representatives at each contractor facility. The reviews should be conducted jointly by the Services and DCMC and the results should be submitted to me in a joint report signed by all addressees of this memorandum. I would like the results of your joint review by

November 1, 1995. The Director, Defense Logistics Agency should coordinate this review and submittal of the report.

The Contract Administration Reform Process Action Team made a number of recommendations concerning DCMC interface with program office personnel (Chapter 3 -Early Contract Administration Activities; Chapter 4 - Technical Representatives; Chapter 7 - Engineering and Software) including a recommendation that the DCMC Program Support mission, as outlined above, be documented in DoDI 5000.2. The documentation requirements from these chapters will be included in the next update to DoDI 5000.2.